

Introduced: 3/23/87
Referred: Resources
& Finance

5-0881A

1 IN THE SENATE

BY COGHILL AND FAIKS

2

SENATE BILL NO. 206

3

IN THE LEGISLATURE OF THE STATE OF ALASKA

4

FIFTEENTH LEGISLATURE - FIRST SESSION

5

A BILL

6 For an Act entitled: "An Act relating to the Alaska Power Authority; and
7 providing for an effective date."

8 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:

9 * Section 1. AS 44.83 is amended by adding a new section to read:

10 Sec. 44.83.172. POWER PROJECT BONDS. (a) The authority may
11 borrow money and issue bonds to make or refinance loans from the power
12 project fund for the acquisition or construction of power projects
13 under AS 44.83.170(b)(1). Loans made or refinanced with the proceeds
14 of bonds authorized by this section are subject to AS 44.83.170(a) -
15 (e). However, the authority may not issue bonds to make or refinance
16 a loan entered into under a leveraged lease financing arrangement.
17 The authority may issue bonds if the borrower is an entity that may
18 borrow from the fund under AS 44.83.170.

19 (b) The authority may pledge the principal and interest on loan
20 repayments and the interest earned by loans from the power project
21 fund for bonds issued under this section. If the authority pledges
22 these amounts, they may not be deposited into the general fund.

23 (c) The authority may notify the head of a department or agency
24 of the state in writing that a municipality is in default on the
25 repayment of principal or interest on loans made or refinanced with
26 the proceeds of bonds issued under this section. Notwithstanding any
27 other provision of law, to the extent that a department or agency of
28 the state is the custodian of money payable to the municipality, the
29 department or agency shall withhold payment of the money from the

1 municipality and pay over the money to the authority to pay principal
2 and interest on bonds of the authority issued under this section.

3 * Sec. 2. AS 44.83.187(d) is amended to read:

4 (d) The provisions of AS 44.83.177 - 44.83.185 do not apply to

5 (1) an addition, modification, repair, reconstruction,
6 design, acquisition or construction for the purpose of completing a
7 project;

8 (2) the construction of an electrical transmission or dis-
9 tribution facility [THAT IS ESTIMATED TO COST LESS THAN \$3,000,000].

10 * Sec. 3. This Act takes effect immediately under AS 01.10.070(c).